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RECORDATION NO. 8162-7 Filed & Recorded

APR 24 1987 1-30 PM

INTERSTATE COMMERCE COMMISSION

April 24, 1987

7-114A035

457-1638

Date APR 24 1987

Fee \$ 20.00

ICC Washington, D.C.

100 OFFICE OF
THE SECRETARY
APR 24 1 21 PM '87
MOTOR OPERATING UNIT

Ms. Noreta R. McGee
Office of the Secretary
Recordation Office
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Re: North American Car Corporation, a Delaware Corporation;
Case No. LA 84-23401 BR (Chapter 11), In the United
States Bankruptcy Court for the Central District of
California; Order Clarifying the Order Authorizing
Debtor in Possession to Reject Ten Unexpired Leases of
Railroad Equipment; Order Authorizing Debtor in
Possession to Reject Ten Leases of Railroad Equipment;
ICC Recordation Nos. 8162-I and 8162-J

Dear Ms. McGee:

In accordance with the provisions of Section 11303 of the
Revised Interstate Commerce Act, 49 U.S.C. § 11303, and Part 1177
of Title 49 of the Code of Federal Regulations, we request, as
special counsel for American National Bank and Trust Company of
Chicago (as agent for Teachers Insurance and Annuity Association
of America, the Jefferson-Pilot Life Insurance Company (successor
in interest by merger to the Jefferson Standard Life Insurance
Company), and the Ohio National Life Insurance Company), that the
enclosed documents be recorded and filed with the Interstate
Commerce Commission.

You will find enclosed two originals of the following
documents:

C. D. [Signature]

1. Order Clarifying the Order Authorizing Debtor in Possession to Reject Ten Unexpired Leases of Railroad Equipment (entered February 9, 1987); and
2. Order Authorizing Debtor in Possession to Reject Ten Leases of Railroad Equipment (entered December 2, 1986).

Both Orders are entered in the United States Bankruptcy Court for the Central District of California, Case No. LA 84-23401-BR.

The above-referenced Orders are secondary documents. The primary documents to which these Orders are connected are the Lease of Railroad Equipment recorded under No. 8162-B and other related documents filed under recordation Nos. 8162, 8162-A, 8162-C, 8162-D, 8162-E and 8162-F, 8162-G and 8162-H. Inasmuch as there are already documents filed through No. 8162-H, these Orders should be assigned Recordation Nos. 8162-I and 8162-J, respectively.

These Orders effectuate a rejection of various leases, including that which is recorded under Recordation No. 8162-B by North American Car Corporation, the bankrupt debtor-in possession. The railroad equipment (465 cars) involved is more specifically described in Exhibit A attached hereto and incorporated herein by this reference.

The parties interested in the aforesaid Orders are:

AMERICAN NATIONAL BANK AND TRUST COMPANY
OF CHICAGO
33 North LaSalle Street
Chicago, Illinois 60690

and

GENERAL ELECTRIC RAILCAR SERVICES CORPORATION
33 West Monroe Street
Suite 2400
Chicago, Illinois 60603

and

NORTH AMERICAN CAR CORPORATION
333 West Monroe Street
Suite 2400
Chicago, Illinois 60603

Ms. Noreta R. McGee
April 24, 1987
Page 3

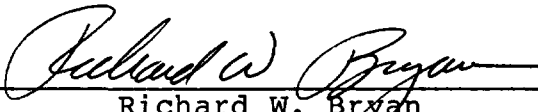
You will also find enclosed herewith one check made payable to the Interstate Commerce Commission in the amount of \$20.00 each, which amount is intended as full and final payment of the filing fee to be incurred in connection herewith.

Would you please stamp, as filed, each of the duplicate originals enclosed herewith and return the stamped duplicate originals not used by your office to our office at your earliest possible convenience?

If you have any questions in this regard, please do not hesitate to contact us.

Sincerely yours,

JACKSON & CAMPBELL, P.C.

By 
Richard W. Bryan

RWB:tkd
Enclosures

cc: Kurt L. Kicklighter, Esquire

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

4/24/87

Richard W. Bryan
Jackson & Campbell
1120 20th St. N.W.
Washington, D.C. 20036-3437

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 4/24/87 at 1:30pm, and assigned recordation number(s). 8162- I & 8162-J

Sincerely yours,

Noreta R. McGee
Secretary

Enclosure(s)

SE-30
(7/79)

original

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Attorneys for General Electric
Railcar Services Corporation and
Quality Service Railcar Repair
Corporation

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

In re
NORTH AMERICAN CAR CORPORATION, a
Delaware corporation; TEXAS RAIL-
WAY CAR CORPORATION, a Delaware
corporation; TIGER FINANCIAL
SERVICES, INC., a Delaware
corporation; TIGER MARINE, INC.,
a Delaware corporation;
SURFACE TRANSPORTATION INTERNATION-
AL INC., a Missouri corporation;
SURFACE TRANSPORTATION OF OHIO,
INC., an Ohio corporation; S.T.I.
OF LOUISIANA, INC., a Louisiana
corporation; S.T.I. OF SOUTH DA-
KOTA, INC., a South Dakota corpo-
ration; S.T.I. OF WISCONSIN, INC.,
a Wisconsin corporation; S.T.I.
SPECIAL SERVICES, INC., a Missouri
corporation; AIR AND SURFACE TRANS-
PORTATION INTERNATIONAL, INC., a
Missouri corporation; S.T.I.X. CAR
LEASING INCORPORATED, a Missouri
corporation; S.T.I. OF KANSAS, INC.,
a Kansas corporation; P & R RAIL
CAR SERVICE CORP., a Maryland cor-
poration; and NORTH AMERICAN CAR
(CANADA) LIMITED, an Ontario
corporation,

Debtors.

RECORDATION NO 8162
APR 24 1987 1-8 0 PM
INTERSTATE COMMERCE COMMISSION
FILED
FEB - 5 1987

No. LA 84-23401 BR
Chapter 11

(Jointly Administered)

THIS DOCUMENT APPLIES TO
THE FOLLOWING CASE:

LA 84-23401-BR

ORDER CLARIFYING THE
ORDER AUTHORIZING
DEBTOR IN POSSESSION
TO REJECT TEN UNEXPIRED
LEASES OF RAILROAD
EQUIPMENT

DATE OF HEARING:
February 5, 1987

PLACE OF HEARING:
Courtroom "A"

TIME OF HEARING:
2:00 p.m.

159014

1 This matter coming on to be heard on the Motion of
2 General Electric Railcar Services Corporation and Quality Ser-
3 vice Railcar Repair Corporation To Clarify the Order Autho-
4 rizing Debtor In Possession To Reject Ten Leases of Railroad
5 Equipment (the "Motion"); due notice of the filing of the
6 Motion having been given to all persons of record who filed
7 with this Court a request to receive copies of notices herein,
8 including, but not limited to, counsel for the Official Com-
9 mittee of Unsecured Creditors; the Court having considered the
10 Motion and the Declaration of Winston I. Lowe, Vice President
11 of General Electric Railcar Services Corporation ("GERSCO") in
12 support of the Motion; the responses and objections to the
13 Motion filed by North American Car Corporation ("NACC") Valley
14 Bank Leasing, Inc. ("Valley Bank"), Aetna Life Insurance
15 Company, The Aetna Casualty and Surety Company, Bank of
16 America National Trust and Savings Association and American
17 Road Equity Corporation; the arguments presented at the
18 hearing; the record herein; the resolution of the respective
19 objections and responses;

20 THE COURT HEREBY FINDS THAT:

21 1. On March 31, 1986, this Court considered and
22 granted the Motion of Debtor In Possession for Authority to
23 Reject Ten Leases of Railroad Equipment.

24 2. Such relief was contingent upon the consummation
25 of the transactions contemplated by the Asset Purchase Agree-
26 ment dated February 14, 1986 (the "Asset Purchase Agreement"),
27 by and among General Electric Credit Corporation ("GECC"),
28

1 NACC and certain of NACC's affiliated debtor corporations, as
2 amended (the "GECC Sale").

3 3. On July 3, 1986, GECC and NACC closed the GECC
4 Sale.

5 4. On July 31, 1986, this Court entered its Order
6 Authorizing Debtor In Possession to Reject Ten Leases of Rail-
7 road Equipment (the "Order")¹.

8 5. The Order provided for (a) the rejection of ten
9 leases of railroad equipment effective on the closing of the
10 GECC Sale and (b) the continued distribution of surplus reve-
11 nues consistent with this Court's Order Authorizing NACC to
12 Make Payments to Secured Creditors and Railcar Lessors With
13 Full Reservation of Rights, dated June 5, 1985, as modified on
14 September 20, 1985.

15 6. The Order did not address the respective inter-
16 ests of NACC, GECC and Valley Bank consistent with the terms
17 of the Asset Purchase Agreement and the order authorizing the
18 GECC Sale, dated March 28, 1986 (the "Sale Order"). GECC and
19 GERSCO acknowledge the interest of Valley Bank and the "true
20 sublease" nature of the Valley Bank sublease (the "Valley Bank
21 Sublease").

22 7. In order to prevent further dispute as to the
23 financial obligations as between NACC and the respective
24 railcar lessors, as well as the duties and obligations of
25 GERSCO, as NACC's railcar manager, and Quality Service Railcar
26

27 1. All terms defined herein shall have the meaning ascribed
28 thereto in the Order.

1 Repair Corporation, as NACC's railcar repair manager, it is in
2 the best interests of all parties-in-interest to clarify the
3 Order.

4 The Court being fully advised in the premises and
5 good cause existing for the entry of this clarifying Order;

6 IT IS HEREBY ORDERED THAT:

7 A. The Leases be and they hereby are deemed re-
8 jected as of July 3, 1986 (the "Effective Date").

9 B. Each railcar leased under the Leases (the
10 "Railcars") shall be made available to the respective Lessors,
11 as their interest may appear, on an "as is, where is" basis,
12 on the Effective Date.

13 C. From and after the Effective Date, GERSCO may:
14 (i) substitute other railcars for the Rail-
15 car(s) in any sublease or agreement, except the Valley Bank
16 Sublease; provided however, that the substitution of such
17 Railcar(s) is feasible, will not unreasonably disrupt the end
18 user of such Railcar(s) and will not unreasonably impair
19 NACC's business interests and/or relationship with such end
20 user;

21 (ii) attempt to obtain an amendment to any
22 sublease or agreement with respect to the Railcars to provide
23 for the substitution of Railcars; or

24 (iii) utilize all provisions in existing sub-
25 leases and other agreements which require third-party users,
26 to deliver each of the Railcars to a location(s) designated by
27 the Lessors at the third-party's risk and expense;
28

1 D. NACC or GERSCO shall (1) advise the Lessors at
2 the earliest possible date from and after the Effective Date
3 of the location of the Railcars and (2) accommodate the
4 respective Lessors' instructions for the return of the
5 Railcars in the manner, at the time, to the location and by
6 the routes specified or approved by the Lessors; provided,
7 however, that under no circumstances, shall NACC or GERSCO be
8 required to unreasonably disrupt its operations with respect
9 to the undertakings described in this decretal paragraph.

10 E. The Lessors shall not exercise any right of
11 setoff with respect to the revenues and expenses attributable
12 to the operation of the Railcars prior to the Effective Date
13 without prior application to and approval by this Court upon
14 notice to all parties-in-interest.

15 F. Except for those Railcars subject to the Valley
16 Bank Sublease, all revenues and expenses generated by the
17 Railcars prior to the Effective Date shall be subject to the
18 terms and conditions of this Court's Order Authorizing NACC to
19 Make Payments to Secured Creditors and Railcar Lessors with
20 Full Reservation of Rights, dated June 5, 1985, as modified on
21 September 20, 1985. (the "Distribution Order") *[Signature]* *[Initials]*

22 G. From and after the Effective Date, each Lessor
23 shall be responsible for all railcar operating expenses
24 relating to its respective Railcars, including but not limited
25 to, all repair and maintenance expenses, running repairs,
26 mileage taxes, movement and switching charges, insurance,
27 management fees and other similar charges attributable to such
28

1 railcars, but only to the extent that such expenses and
2 charges arise out of events occurring on and after the
3 Effective Date. NACC shall remain responsible for all such
4 railcar operating expenses and charges to the extent that such
5 expenses and charges arise out of events occurring prior to
6 the Effective Date. To the extent that NACC or GERSCO shall
7 pay such expenses and charges which are attributable to the
8 period from and after the Effective Date, each Lessor shall be
9 obligated to reimburse NACC or GERSCO for such payments to the
10 extent such charges and expenses are attributable to its
11 Railcars. Notwithstanding the foregoing, neither NACC, GERSCO
12 nor any individual Lessor by the terms of this paragraph G
13 shall be deemed to have assumed any liability to, or for the
14 benefit of third parties, beyond that established by
15 applicable non-bankruptcy law.

16 H. From and after the Effective Date, as soon as
17 practicable, each respective Lessor shall take such actions as
18 may be necessary to remove the GERSCO running marks from the
19 Railcars and that any expenses incurred in connection
20 therewith shall be borne by the respective Lessor and not by
21 GERSCO. To the extent that the GERSCO running marks are not
22 removed as of the Effective Date, each Lessor shall indemnify
23 NACC and/or GERSCO with respect to the Railcars owned by such
24 Lessor from any and all claims or causes of action asserted by
25 third parties against NACC or GERSCO arising from the
26 operation of the Railcars from and after the Effective Date.
27
28

1 I. From and after the Closing Date, as defined in
2 the Asset Purchase Agreement, GECC may assert its rights under
3 that certain Order and Judgment Granting Motion to Sell Assets
4 and Assign Executory Contracts and Unexpired Leases To General
5 Electric Credit Corporation and Approving Asset Purchase
6 Agreement, dated March 28, 1986, and, except for the Railcars
7 subject to the Valley Bank Sublease, upon reasonable prior
8 notice remove the Railcars from any and all End-User Leases
9 (as such term is used herein as defined in the Asset Purchase
10 Agreement), and substitute other railcars therein.

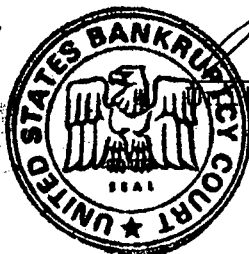
11 J. To the extent that Railcars (a) remain subject
12 to End-User Leases, (b) are in storage, or (c) are removed
13 from End-User Leases and returned to the respective Lessor,
14 from and after the Effective Date, the respective Lessors
15 shall be responsible for, and shall promptly discharge by way
16 of payment to GERSCO, all railcar operating and storage
17 expenses related to the Railcars including, but not limited
18 to, all repair and maintenance expenses, running repairs,
19 mileage taxes, movement and switching charges, insurance,
20 management fees attributable to such Railcars, but only to the
21 extent that such expenses and charges arise out of events
22 occurring on or after the Effective Date.

23 K. This Order shall remain subject to the terms of the
24 Dated: Los Angeles, California
February 5, 1987
Distribution
for Order.

25
26 I hereby attest and certify on 4-17-87
27 that the foregoing document is a full, true and correct
28 copy of the original on file in my office, and in my
legal custody.

CLERK, U.S. BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

By [Signature] Deputy



[Signature]
United States Bankruptcy Judge